



BILLING CODE-3510-DR-P

DEPARTMENT OF COMMERCE

International Trade Administration

Healthcare Business Development Mission to China October 23-28, 2016

AGENCY: International Trade Administration, Department of Commerce

ACTION: Notice

SUMMARY:

The United States Department of Commerce, International Trade Administration, is organizing an executive-led Healthcare Business Development Mission to China with an emphasis on the Sector. The mission is proposed at the Deputy Secretary level with participation from U.S. Department of Health and Human Services to ensure adequate access to Chinese government officials.

The purpose of the mission is open access to Chinese government health officials and to introduce U.S. firms and trade associations to the Chinese Healthcare market as well as assist U.S. companies to find business partners and export their products and services to China. The mission is intended to include representatives from U.S. companies and U.S. trade associations with members that provide high end, innovative medical devices (especially imaging), healthcare technology equipment, innovative pharmaceuticals, hospital management or senior care management solutions, and medical education or training, hospital cooperation (i.e. management and education), as well as pharmaceuticals and senior care segments.

Healthcare is an important issue for both the China. Today, China's annual healthcare spending is about \$590.2 billion or 5.7% of its GDP. Commerce and health are not mutually exclusive, as workers become ill and as the cost of healthcare and insurance increases there is a direct impact on business through the loss of worker productivity and skilled workers, and reduced output. With fewer healthy workers earning incomes, businesses will also be harmed by decreased size and purchasing power of consumers. Families and individuals will be burdened with the impact of reduced incomes, increased health costs, and increased likelihood of long term care. As the world's two largest economies, how the two sides approach healthcare in the future has the potential to impact global macro-economic stability and future economic growth.

In recent years China has prioritized the reform of its healthcare system, to ensure citizens have good quality and affordable care, especially given the trends in the population and the increase in various health issues. The aging population, chronic disease and lack of fitness for children create challenges and burdens on establishing an effective healthcare system. Incidence of non-communicable disease (NCDs) such as cardiovascular disease, cancer and diabetes has rapidly increased. Economic growth is also impeded because NCDs hit workers in their prime years of productivity – creating long term chronic conditions, withdrawal from the workforce, diminished family resources and early death. Tackling the prevalence and significance of NCDs is challenging. The causes are rooted in the universal trends of aging and rapid urbanization, demographic factors which will only increase in the future.

Facing similar challenges and possessing common goals to achieve a successful healthcare ecosystem, the United States and China are well positioned to share experiences and find

solutions to existing problems through uniting government and private sector forces at the intersection of commerce and healthcare. Areas of mutual collaboration in the healthcare could focus on improving patient access and services delivery, as well as areas of cooperation to benefit the health and lives of the population. As China reforms its' healthcare system and endeavors to create an innovative medical device and pharmaceutical industry it risks the alienation of foreign firms in the market. This trade mission will offer U.S. firms not only the opportunity to market their products and services, but also to explore ways that U.S. industry can support China's efforts to reform their healthcare system through win-win bilateral healthcare cooperation.

The trade mission will include one-on-one business appointments with pre-screened potential buyers, agents, distributors and joint venture partners; meetings with national and regional government officials, chambers of commerce, and business groups; and networking receptions for companies and trade associations representing companies interested in expansion into the Chinese markets. Meetings will be offered with government authorities (such as the National Health and Family Planning Commission, China Food and Drug Administration, Ministry of Human Resources and Social Services, and Ministry of Civil Affairs) that can address questions about policies, tariff rates, incentives, regulations, etc.

SCHEDULE:

Sunday, October 23

- Business Delegation arrives Beijing
- Business Delegation Meet and Greet/Icebreaker

Monday, October 24

- China Economic and Market briefing by U.S. Embassy staff on programs and opportunities in the Healthcare Sector
- Business Delegation Meeting with Vice Minister of National Health and Planning Commission
- Lunch hosted by Healthcare Association
- Business Delegation Meeting with Vice Minister of China Food and Drug Administration
- Business Delegation Meeting with Vice Minister of Ministry of Human Resources and Social Services

Tuesday, October 25

- Business Delegation Meeting with Vice Minister of Ministry of Civil Affairs
- Business Delegation Meeting with Commissioner of China Insurance Regulatory Commission
- Business Delegation Business-to-Business Meetings
- Mission Reception Hosted By U.S. Ambassador Baucus

Wednesday, October 26

- Airport Transfer to Beijing (PEK) Airport
- Morning Travel to Chongqing (post will recommend a specific flight, however flight is not included in the mission cost)
- Airport Transfer from Chongqing Airport

- Lunch Briefing by U.S. Consulate Chengdu staff on programs and opportunities in the Healthcare Sector
- Business Delegation Meeting with Chongqing Government Leadership
- Hospital Site Visit or Evening tourism event
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Thursday, October 27

- Healthcare Association event (Healthcare Symposium, co-host with Chongqing Government)
- Business Delegation Networking Luncheon
- Business Delegation Business-to-Business Meetings
- CG-hosted Dinner for US companies and USGs

Friday, October 28

- Business Delegation Meeting with Chongqing Health Bureau
- Lunch Wrap-up Meeting
- Afternoon - Delegates free to depart

WEBSITE

Please visit our official mission website for more information:

http://export.gov/trademissions/eg_main_023185.asp

PARTICIPATION REQUIREMENTS

All parties interested in participating in the trade mission must complete and submit an application package for consideration by the DOC. All applicants will be evaluated, on a rolling

basis, on their ability to meet certain conditions and best satisfy the selection criteria as outlined below. A minimum of 12 and maximum of 18 firms and/or trade associations or organizations will be selected to participate in the mission from the applicant pool.

FEES AND EXPENSES

After a trade association/organization has been selected to participate on the mission, a payment to the Department of Commerce in the form of a participation fee is required. The participation fee for the Trade Mission will be \$10,500 for a small or medium-sized enterprise (SME)¹; and \$12,500 for a large firm and trade association/organization. The fee for each additional firm representative (large firm or SME/trade organization) is \$3500. Expenses for travel, lodging, meals, and incidentals will be the responsibility of each mission participant. Interpreter and driver services can be arranged by the CS for additional cost. Delegation members will be able to take advantage of U.S. Embassy rates for hotel rooms.

APPLICATION

All interested firms and associations may register via the following link:

<https://emenuapps.ita.doc.gov/ePublic/TM/7R0L>

EXCLUSIONS

The mission fee does not include any personal travel expenses such as lodging, most meals, local ground transportation, except as stated in the proposed timetable, and air transportation from the

¹ An SME is defined as a firm with 500 or fewer employees or that otherwise qualifies as a small business under SBA regulations (see [http://www.sba.gov/services/contracting opportunities/sizestandardstopics/index.html](http://www.sba.gov/services/contracting_opportunities/sizestandardstopics/index.html)). Parent companies, affiliates, and subsidiaries will be considered when determining business size. The dual pricing reflects the Commercial Service's user fee schedule that became effective May 1, 2008 (see <http://www.export.gov/newsletter/march2008/initiatives.html> for additional information).

U.S. to the mission sites and return to the United States. Business visas may be required. Government fees and processing expenses to obtain such visas are also not included in the mission costs. However, the U.S. Department of Commerce will provide instructions to each participant on the procedures required to obtain necessary business visas.

TIMELINE FOR RECRUITMENT AND APPLICATIONS

Mission recruitment will be conducted in an open and public manner, including publication in the *Federal Register*, posting on the Commerce Department trade mission calendar (<http://export.gov/trademissions>) and other internet web sites, press releases to general and trade media, direct mail, notices by industry trade associations and other multiplier groups, and publicity at industry meetings, symposia, conferences, and trade shows. Recruitment for the mission will begin immediately and conclude no later than 1 July 2016. The U.S. Department of Commerce will review applications and make selection decisions on a rolling basis. Applications received after 1 July 2016, will be considered only if space and scheduling constraints permit.

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